

RELEVANT INFORMATION



GRUPO ARGOS

In order to establish some constituting criteria, which has been applied for some time, the Board of Directors approved the following modifications to its Operating Regulations found in the Code of Good Governance.

Current Text	Suggested Text
<p>4. Selection criteria for Directors</p> <p>The Shareholders' General Assembly must take into account, when proceeding with the election of the members of the Board of Directors, in addition to what is established in the Appointment and Remuneration Policy of the Board of Directors and of the recommendations proposed by the Appointments and Remuneration Committee, among others, the following aspects:</p> <p>a. Directors may not be older than 72 years old. They must have experience in participating in Boards of Directors and provide a professional specialty that is relevant to the activity performed by the Company.</p> <p>b. When constituting the Board of Directors, there is to be a tendency to have Independent Directors with experience on corporate finance and / or internal control, who must be appointed to the Audit Committee.</p> <p>c. All Directors will have basic skills that allow them to exercise an adequate performance of their duties. Among others, the should be analytical and have managerial skills, a strategic vision of the business, objectivity and the ability to present their point of view, and the ability to evaluate higher managerial cadres. Additionally, they must have the ability to understand and be able to question financial information and business proposals and to work in an international environment.</p> <p>d. In addition to the basic competences, each Boardmember will have other specific competences, which will allow them to contribute in one or more dimensions, due to their special knowledge of the industry, financial aspects and risks, legal, environmental, social issues, commercial and crisis management.</p>	<p>4. Selection criteria for Directors</p> <p>The Shareholders' General Assembly must take into account, when proceeding with the election of the members of the Board of Directors, in addition to what is established in the Appointment and Remuneration Policy of the Board of Directors and of the recommendations proposed by the Appointments and Remuneration Committee, among others, the following aspects:</p> <p>a. Directors may not be older than 72 years old. They must have experience in participating in Boards of Directors and provide a professional specialty that is relevant to the activity performed by the Company.</p> <p>b. When constituting the Board of Directors, there is to be a tendency to have Independent Directors with experience on corporate finance and / or internal control, who must be appointed to the Audit Committee.</p> <p>c. When constituting the Board of Directors, it should be encouraged to have adequate diversity of gender, nationality and race with the necessary representativeness to understand and attend to the various businesses of the business group.</p> <p>d. All Directors must have basic skills that allow them to exercise an adequate performance of their duties. Among others, the should be analytical and have managerial skills, a strategic vision of the business, objectivity and the ability to present their point of view, and the ability to evaluate higher managerial cadres. Additionally, they must have the ability to understand and be able to question financial information and business proposals and to work in an international environment.</p>

<p>e. At least 50% of the Directors elected for a certain period must meet the requirements to be considered as Independent Members, and they must declare it when they accept to be part of the board. A member is considered independent, when (...)</p>	<p>e. In addition to the basic competences, each Board member will have other specific competences, which will allow them to contribute in one or more dimensions, due to their special knowledge of the industry, financial aspects and risks, legal, environmental, social issues, commercial and crisis management.</p> <p>f. At least 50% of the Directors elected for a certain period must meet the requirements to be considered as Independent Members, and they must declare it when they accept to be part of the board. A member is considered independent, when (...)</p>
<p>5. Nonconformity of Directors.</p> <p>In the Board of Directors there will be no decisional majorities constituted by Executive Members.</p> <p>There cannot be any majority formed with persons bound together by marriage, or by kinship within the third degree of consanguinity or second of affinity or first civil in the Board of Directors. If the Board is elected contrary to this provision, the previous Board will not be able to act and continue to exercise its functions, which will immediately call for the Assembly for a new election.</p>	<p>6. Nonconformity of Directors.</p> <p>In the Board of Directors there will be no decisional majorities constituted by Executive Members.</p> <p>Any Director who belongs to more than 4 Board of Directors, in addition to the Company, may not be a Director. For the purposes of determining this limit, the participation in Boards and similar bodies of companies whose purpose is the realization of social responsibility or philanthropic activities will not be taken into account.</p> <p>There cannot be any majority constituted by persons bound together by marriage, or by kinship within the third degree of consanguinity or second of affinity or first civil in the Board of Directors. If the Board is elected contrary to this provision, the previous Board will not be able to act and continue to exercise its functions, which will immediately call for the Assembly for a new election.</p>